

Dependent care costs are payments for the actual care of a child or other dependent person (e.g. an incapacitated adult). Payments are deductible only when necessary for a household member to:

1. Accept or continue employment; or
2. Pursue education preparatory for employment; or
3. Comply with the Food Stamp Employment and Training (E & T) Program requirements; or
4. Seek employment.

The dependent care deduction will include costs such as baby sitter or day care fees or the cost of an attendant for an incapacitated adult. *The amount of the deduction will be the total cost of dependent care, there is no maximum deduction amount.*

Example: A household reports that a member is employed. This member pays \$45 per week per child to a day care center for two children.

Calculated prospectively, dependent care costs would be $\$45 \times 4.334 = \195 per child $\$195 \times 2 = \390 total dependent care costs.

Child care expenses that are reimbursed or paid by the Division of Child Care and Early Childhood Education, TEA Program or other similar programs are not deductible. A deduction will be allowed only for the portion of child care expenses not paid or reimbursed by such a program.

Any reimbursements made by the DCCECE, TEA Program or other similar program to the household will not be counted as income (FSC 5411 #3).